

6. My belief is that the natives have made up their minds to act on the policy I have above stated : and that they will do so, unless the greatest care is taken on our part.

7. Your Grace must be well aware that this Waitara question was from the first made a party question, regarding which the most violent controversy raged, and men's passions were much excited. Like all other questions between races in a state of hostility, it was by many taken up as a question of Race, and it will, I fear, even now be difficult for any European to allege that the Natives are, in the main, right in their answers to the allegations made against them regarding the Waitara purchase, without raising a feeling of violent hostility in the minds of many people. Leaving apart, however, those far higher considerations which influence Your Grace ; I know that we are both to stand at the bar of History, when our conduct to the Native race of this country will be judged by impartial historians, and that it is our duty to set a good example for all time, in such a most important affair. I ought therefore to advise Your Grace, without thinking of the personal consequences which may result to myself, that my settled conviction is, that the Natives are in the main right in their allegations regarding the Waitara purchase, and that it ought not to be gone on with. I have given the same opinion to my Responsible Advisers, as Your Grace will find from one of the enclosures to this despatch. I hope they may adopt my opinion and act speedily upon it. I shall probably before the mail closes be able to report what has been done upon this subject.

8. I shall not encumber my despatch with the grounds of the opinion I have formed on the Waitara question. These will be found in the enclosures sent herewith. From these Your Grace can judge whether my opinion is a just one. But this much I must add, that although I have been eighteen months in the Colony, the most important facts connected with this Waitara purchase were unknown to me until a few days since, and must have remained so, had it not been from personal enquiries made by myself and the Native Minister on the spot ; that, from accident, oversight, or some other cause, these facts have not been made public or reported to Your Grace, and that I have seen nothing to make me think that my predecessor knew them.

9. On grounds of public policy, the following questions connected with this purchase of land at the Waitara should be considered with as little delay as possible. It does not involve any new acquisition of territory for Her Majesty or the Empire. It is simply a purchase of land, houses, and gardens, the private property of some of the Queen's subjects, which are to pass from them in order they may be given as private property to others of Her Majesty's subjects. To hold possession of this private property Great Britain maintains and has maintained for three years at a considerable cost, two separate detachments of Troops, one on it, one near it, in addition to a force at New Plymouth as a support for these detachments ; and none of the Queen's subjects, but a few Natives, derive any benefit from the land. Her Majesty has at present no legal title to the land. It seems more than doubtful if such a title can ever be given to Her, and it has never been paid for.

The original occupants of the land are likely soon to return there, and quietly to occupy it. If they do, we must either turn them off by force, or leave them in possession, they having taken repossession of the land against the will of the Government. If the first of these events occurs, a general war will probably take place. If the second of them occurs, the Government will be placed in a position which will weaken its authority and influence. If neither of these events take place, from the Natives being withheld from occupying the land by those who are well disposed to the Government, then we must continue to hold possession of it by a military force, and those of the Native race who are now hostile to us, will remain so, watching with arms in their hands our course in reference to this Waitara question. If we, on our part, attempt to put those Europeans upon it who will claim it in virtue of rights of selection of land which they hold, my opinion is that the Natives will instantly try to turn them off, and bring on a general war ; to be commenced at a point which, from its physical features, and that of the country beyond it, is so ill-suited for such a struggle that I believe that military operations in it, however skilfully conducted, and however prolonged, can result in no decisive success. I feel sure that Lieutenant-General Cameron, who is returning to England, will confirm my opinion in this respect.

I have the honor to be &c.,

His Grace the Duke of Newcastle, K.G.,
&c., &c., &c.

G. GREY.

List of Enclosures to this Despatch :

- No. 1. Memorandum setting forth the replies of the Natives to the Government Manifesto of February and March, 1860.
- No. 2. Lieut. Bates to Sir G. Grey. 10 April, 1863.
- No. 3. Memorandum from Native Minister, dated at Tataraimaka, 11 April, 1863.
- No. 4. Minute by the Governor. 12 April, 1863.
- No. 5. Memorandum from Native Minister. 17 April, 1863.
- No. 6. Minute by the Governor. 19 April, 1863.
- No. 7. Memorandum from Colonial Secretary. 20 April, 1863.
- No. 8. Minute by the Governor. 22 April, 1863.
- No. 9. Statement by Capt. Bulkeley, 65th Regt.
- No. 10. Ditto of E. Houltham, private in ditto.
- No. 11. Extract from the "Taranaki Herald," of the 10 March, 1860.
- No. 12. Mr. F. A. Carrington to Capt. Bulkeley. April 20, 1863.
- No. 13. Mr. Parris to the Native Minister. April 28, 1863.